

**REMARKS**

At the outset, Applicant notes that the Examiner's most recent communication to Applicant is consistent with the Examiner's general approach to "examination" of this case, in which little regard has been paid to the rules or procedures of the United States Patent and Trademark Office. The communication purports to be an "Office Action" yet it is worded, at least in part, as a Notice of Non-Compliant Amendment and provides only one month to reply. Nevertheless, upon review of the communication, Applicant has determined that it is not a Notice of Non-Compliant Amendment but is indeed an office action as new grounds for rejection have been presented. Applicant has accordingly treated the communication as an office action. As such, Applicant believes it is entitled to the normal period for reply to an Office Action of three months. Applicant has nonetheless submitted herewith a Petition for a Two-Month Extension of Time and the associated fee.

**Applicant's Reply Dated February 28, 2006 was Fully Responsive in all Respects to the Office Action Dated November 22, 2005**

Despite the Examiner's assertions to the contrary, Applicant's response of February 28, 2006 was fully responsive in all respects to the Examiner's rejection of claims 1-66 under 35 U.S.C. 112, second paragraph. Specifically, Applicant canceled all of the rejected claims thus rendering the rejection moot. Accordingly, any assertion that Applicant's response of February 28, 2006 was not fully responsive is without merit. Given the Examiner's course

of conduct with regard to "examining" this applicant, however, we feel it is necessary to set forth the Applicant's position in greater detail.

**The Examiner's Assertion of Non-Responsiveness is Without Basis**

In the Office Action mailed May 18, 2006, the Examiner asserted that Applicants' prior reply was "not fully responsive to the prior Office Action." In particular, the Examiner said the following:

The reply filed on February 26, 2006 (sic) is not fully responsive to the prior Office Action because of the following omission(s) or matter(s): Claims 1-66 that were examined in the Final office action mailed on April 6, 2005 are directed to a method, system and a computer program for executing a trade in a user preferred security, the method comprising the steps of representing the user preferred securities in an N dimensional graph on a client system; selecting one of the user preferred securities from the N dimensional graph; associating order parameters with the selected user preferred security; sending an order to trade the selected user preferred security from the client system to a server system; and routing the order from the server system to a trade execution location, whereas the new claims 67-114 are directed to a method, system a computer program for enabling a trade in a user selected user preferred security, the method comprising: identifying user preferred securities from a plurality of securities based upon at least two user specific criteria including at least one criterion related to pricing; generating a graph in which each of the user preferred securities is represented and graphically differentiated from each of the other user preferred securities based upon the values of at least three user specific parameters associated with each of the user preferred securities; receiving a user selection of one of the user preferred securities represented on the graph; associating order parameters with the uses selected user preferred security; and sending an order to execute a trade in, the user selected user preferred security according to the order parameters. A utility of the examined invention is representing the user preferred securities in an N

dimensional graph on a client system and selecting one of the user preferred securities from the N dimensional graph, whereas a utility of the new claims 67-114 is identifying user preferred securities from a plurality of securities based upon at least two user specific criteria including at least one criterion related to pricing. It is clear from the preamble and steps of the two inventions and from the divergent utilities of the two inventions that the originally claimed invention is distinct and independent in scope and utility from the newly presented invention. See 37 CFR 1.111.

The applicant elected the examined invention by original presentation. (See MPEP 821.03). The presentation of new claims in the applicant's communication of February 26, 2006 (sic), is tantamount to shifting of inventions in the same application. See MPEP 821.03.

The Examiner's position as set out above is not only internally inconsistent but, to the extent it can be understood, is absolutely without any basis in the facts or the law. The Examiner begins by stating that the Applicant's response of February 28, 2006 was not responsive to the Office Action of November 22, 2005. The Examiner's reasoning underlying this statement somehow relates to claims 1-66, that was examined in the Office Action of April 6, 2005, and what appears to be a restriction requirement as to claims 1-66 and the presently pending claims, claims 67-114. The Applicant notes that to the extent the Examiner has presented a restriction requirement, Applicant hereby elects claims 67-114 and has previous cancelled claims 1-66.

As to the Office Action of April 6, 2005, the Applicant's amendments and response of June 29, 2005 fully addressed the rejections therein and were believed to put the application in condition for allowance. In the June 29, 2005 response, Applicant

amended certain claims to more specifically recite the applicant's invention including incorporating the subject matter of dependent claim 2 into independent claim 1. The incorporated subject matter was directed to identifying user preferred securities from a plurality of securities based upon user specific criteria. This subject matter was in original claim 2 as well as original claims 11, 23 and 34 of the application as filed on September 15, 2000.

The Examiner now asserts that this same subject matter in pending claims 67-114 does not meet the Examiner's "divergent utilities" test and that as a result of his "divergent utilities" test, the Applicant does not have the right to present an amended claim set in the form of new claims 67-114. Contrary to the Examiner's assertions, the patent laws make clear that it is the Applicant, not the Examiner, who is empowered to define the metes and bounds of the invention to be claimed. Applicant respectfully submits that it is outside the ambit of the Examiner's mandate to dictate to Applicant which invention the Applicant may elect to claim.

**The Examiner's Rejection of Claims 1-66 Under 35 U.S.C. 112 was Without Merit**

In the Office Action dated November 22, 2005, the Examiner rejected claims 1-66 as being "unduly multiplied", expressing his position that 20 claims are sufficient to claim the subject matter of the present disclosure. In support of these rejections, the Examiner cited 35 U.S.C. 112. Section 112 reads as follows:

35 U.S.C. 112 Specification.

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same, and shall set forth the best mode contemplated by the inventor of carrying out his invention.

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

A claim may be written in independent or, if the nature of the case admits, in dependent or multiple dependent form.

Subject to the following paragraph, a claim in dependent form shall contain a reference to a claim previously set forth and then specify a further limitation of the subject matter claimed. A claim in dependent form shall be construed to incorporate by reference all the limitations of the claim to which it refers.

A claim in multiple dependent form shall contain a reference, in the alternative only, to more than one claim previously set forth and then specify a further limitation of the subject matter claimed. A multiple dependent claim shall not serve as a basis for any other multiple dependent claim. A multiple dependent claim shall be construed to incorporate by reference all the limitations of the particular claim in relation to which it is being considered.

An element in a claim for a combination may be expressed as a means or step for performing a specified function without the recital of structure, material, or acts in support thereof, and such claim shall be construed to cover the corresponding structure, material, or acts described in the specification and equivalents thereof.

Upon a review of the above text, Applicant respectfully submits that Section 112 does not recite the words "unduly multiplied" or any related concept. Section 112 requires that

there be *at least one* claim, and anticipates that there may be *multiple claims*, but certainly places no *upper limit* on the number of claims. Accordingly, the Examiner's citation of 35 U.S.C. 112 for this point is unavailing.

The Examiner further cited M.P.E.P. 2173.05(n) for support. M.P.E.P. 2173.05(n) provides as follows: "Undue multiplicity rejections based on 35 U.S.C. 112, second paragraph, should be applied judiciously and should be rare." As the Examiner was hopefully aware, an applicant is entitled to submit up to three independent claims and up to twenty total claims for the basic patent application filing fee. As the Examiner was also hopefully aware, the rules of the U.S. Patent and Trademark Office explicitly provide for the submission and examination of claim sets having more than three independent claims or more than twenty total claims upon payment of the appropriate fees. See 37 C.F.R. 1.16.

Although the M.P.E.P. acknowledges that a multiplicity rejection under 35 U.S.C. 112 may be appropriate in an extreme case, the same section makes abundantly clear that such rejections "should be applied judiciously and should be rare." In the principal case on multiplicity rejections under 35 U.S.C. 112, the Court of Customs and Patent Appeals emphasized that "The Examiner should be reasonable in setting the number to afford the Applicant some latitude in claiming his invention." See *In re Flint*, 411 F.2d 1353 at 1356 (C.C.P.A. 1969). The court further emphasized the well-established rule that "... applicants should be allowed reasonable latitude in stating their claims in regard to number and

phraseology employed. The right of applicants to freedom of choice in selecting phraseology which truly points out and defines their inventions should not be abridged." *In re Flint*, 411 F.2d 1353 at 1357 (quoting *In re Chandler*, 319 F.2d 211, 50 C.C.P.A. 1422).

In the *Flint* case, the court emphasized that a multiplicity rejection would be appropriate only where there is "repetition of the same substance" in multiple claims. In that case, however, the court found that there was not "repetition of the same substance" in multiple claims:

[T]he board's statement acknowledges a difference in scope between the base claims, thus rendering persuasive appellant's argument pointing out that only four independent claims are present, three of which have been held allowable over the art, and that logically the sets of dependent claims differentiate themselves from each other by the differences in scope of the independent claims....

We fail to see the fourfold repetition of the same substance referred to by the board and solicitor. The claims differ from one another and we have had no difficulty in understanding the scope of protection. Nor is it clear, on this record, that the examiner or board was confused by the presentation of the claims in the case or that the public will be.

Applying this standard to claims 1-66 pending at that time, there was not an unreasonable number of claims, nor did the pending claims recite "repetition of the same substance" in multiple claims.

**Claims 1-66 were not "Excessive" in Number**

At the time of the mailing of the November 22 Office Action, there were 66 claims pending. By way of comparison, the *Marshall*

reference, relied upon by the Examiner in the previous round of rejections, lists 42 total claims, seven of which are in independent form. Five of the independent claims are apparatus claims and two are in method form. The *Marshall* reference relates to subject matter asserted by the Examiner to be similar to that of the present claims. The claims of the *Marshall* reference illustrate that seven independent claims is not an unreasonable number for this type of subject matter, nor is a total number of claims in excess of twenty unreasonable as a means of fully and completely claiming the subject matter of the invention.

Further by way of comparison, the application on appeal in the *Flint* case also included 42 total claims, all of which were apparatus claims, of which four were independent. The invention of *Flint* related to a relatively simple apparatus. The Examiner asserted that 15 claims were sufficient to fully claim the apparatus. As discussed above, the court completely disagreed with the Examiner, emphasizing "[t]he right of applicants to freedom of choice in selecting phraseology which truly points out and defines their inventions should not be abridged."

In the November 22 Office Action, the Examiner sought to restrict Applicant to 20 claims in total. Based upon the above, Applicant respectfully submits that 66 claims and six independent claims was a perfectly reasonable number of claims. Accordingly, Applicant respectfully submits that the Examiner's limitation to 20 total claims was completely unreasonable and should never have been asserted.



**Neither the Prior Claims Nor the Presently-Pending Claims Are Multiplicative**

In order for a rejection on the grounds of multiplicity to be supported, the Examiner had a burden to identify "repetition of the same substance" within multiple claims. Applicant respectfully submits that the Examiner did not and could not do so with respect to prior claims 1-66. In addition, Applicant refers the Examiner to pages 24-26 of the February 28, 2006 response in which the Applicant successfully demonstrated that each of the independent claims of prior claim set 1-66 were distinct in scope from one another and were not a repetition of the same substance of any other claim.

**Claims 67-114 were not "unduly multiplicative"**

As established above, the Examiner's rejection of claims 1-66 as being "unduly multiplicative" was completely unreasonable and completely improper. Despite the unreasonableness of the Examiner's restriction as to the number of claims, Applicant nonetheless reduced the number of claims from 66 to 48 in the February 28 response solely in order to accommodate the Examiner and move the case forward. Applicant canceled objectionable claims 1-66 and added new claims 67-114. In the wake of that amendment, there were six independent claims, two of the independent claims (67 and 82) recited computer programs, two (83 and 98) recited systems and two (99 and 114) were method claims.

Upon a review of claims 67-114, the Examiner must have recognized that claims 1-66 and claims 67-114 or at least claims 67-114 were not "unduly multiplied" as the Examiner has not presented a rejection to claims 67-114 as being "unduly multiplied."

**Despite the Examiner's Unreasonable Requirements, Applicant Nevertheless Fully Complied in All Respects**

In the interest of accommodating the Examiner's unreasonable requirements, and in spite of Applicant's strong conviction that the Examiner was completely in error, Applicant nonetheless canceled all rejected claims, provided a reduced set of new claims and provisionally elected 20 claims of the 48 claims to be examined in the event that the Examiner persisted in his improper restriction. Rather than Examining the provisionally elected claims, the Examiner responded with the presently pending Office Action, asserting that the prior reply was "not fully responsive" and imposing new restrictions on Applicant's claims.

**Claims 67-114 Cover the Same Unitary Invention as claims 1-66**

In the Office Action dated May 18, 2006, the Examiner asserted that the subject matter of claims 67-114 represented "shifting of inventions" in violation of USPTO policy as set forth in 37 C.F.R. 1.111 and MPEP 821.03:

It is clear from the preamble and steps of the two inventions and from the divergent utilities of the two inventions that the originally claimed invention is

distinct and independent in scope and utility from the newly presented invention. See 37 CFR 1.111.

The applicant elected the examined invention by original presentation. (See MPEP 821.03). The presentation of new claims in the applicant's communication of February 26, 2006, is tantamount to shifting of inventions in the same application. See MPEP 821.03.

Upon a review of the text of 37 C.F.R. 1.111, Applicant is completely puzzled as to the basis for the Examiner's statement above. Far from placing restrictions and limits on an Applicant's right to add new claims, 37 C.F.R. 1.111 explicitly endorses such practice as a completely proper response to a non-final office action:

§ 1.111 Reply by applicant or patent owner to a non-final Office action.

(a)

(1) If the Office action after the first examination (§ 1.104) is adverse in any respect, the applicant or patent owner, if he or she persists in his or her application for a patent or reexamination proceeding, must reply and request reconsideration or further examination, with or without amendment. See §§ 1.135 and 1.136 for time for reply to avoid abandonment.

(2) Supplemental replies. (i) A reply that is supplemental to a reply that is in compliance with § 1.111(b) will not be entered as a matter of right except as provided in paragraph (a)(2)(ii) of this section. The Office may enter a supplemental reply if the supplemental reply is clearly limited to:

- (A) Cancellation of a claim(s);
- (B) Adoption of the examiner suggestion(s);
- (C) Placement of the application in condition for allowance;
- (D) Reply to an Office requirement made after the first reply was filed;

(E) Correction of informalities (e.g., typographical errors); or

(F) Simplification of issues for appeal.

(ii) A supplemental reply will be entered if the supplemental reply is filed within the period during which action by the Office is suspended under § 1.103(a) or (c).

(b) In order to be entitled to reconsideration or further examination, the applicant or patent owner must reply to the Office action. The reply by the applicant or patent owner must be reduced to a writing which distinctly and specifically points out the supposed errors in the examiner's action and must reply to every ground of objection and rejection in the prior Office action. **The reply must present arguments pointing out the specific distinctions believed to render the claims, including any newly presented claims, patentable over any applied references.** If the reply is with respect to an application, a request may be made that objections or requirements as to form not necessary to further consideration of the claims be held in abeyance until allowable subject matter is indicated. The applicant's or patent owner's reply must appear throughout to be a bona fide attempt to advance the application or the reexamination proceeding to final action. A general allegation that the claims define a patentable invention without specifically pointing out how the language of the claims patentably distinguishes them from the references does not comply with the requirements of this section.

(c) In amending in reply to a rejection of claims in an application or patent under reexamination, the applicant or patent owner must clearly point out the patentable novelty which he or she thinks the claims present in view of the state of the art disclosed by the references cited or the objections made. The applicant or patent owner must also show how the amendments avoid such references or objections.

Upon a review of the text of 37 C.F.R. 1.111, it is not at all clear which, if any, provision of this regulation the Examiner believes to have been violated. Applicant notes that this section explicitly allows for the addition of "newly presented claims," but

places no limitations or restrictions as to their number, scope or utility. Accordingly, the Examiner's citation of this section in support of the Examiner's statements above is nonsensical.

In addition to citing 37 C.F.R. 1.111, the Examiner cited MPEP 821.03 in support of the assertion that "The presentation of new claims [by Applicant] is tantamount to shifting of inventions in the same application." As discussed above with respect to 37 C.F.R. 1.111, MPEP 821.03 recites no blanket policy against the "presentation of new claims" and makes no statement regarding "shifting of inventions." MPEP 821.03 reads as follows:

821.03 Claims for Different Invention Added After an Office Action

Claims added by amendment following action by the examiner, MPEP § 818.01, § 818.02(a), **to an invention other than previously claimed**, should be treated as indicated by 37 CFR 1.145.

MPEP 818.01 and 818.02(a) relate to when an election of species is effective, while 37 C.F.R. 1.145 provides that an Applicant may be required to restrict claims directed to two or more "separate" and "distinct" inventions covered by a single set of claims. Note that MPEP 821.03 *does not* reflect that new claims may not be added by amendment. To the contrary, this section provides that *claims to a separate invention* may be added by amendment. This section does provide that a claim set incorporating another invention due to the addition of new claims may be subjected to a restriction requirement to a single invention. In essence, the Examiner has presented the position that claims to multiple *separate and distinct* inventions in a single claim set may be subjected to a

restriction requirement. This is, of course, fundamental to USPTO practice. Nothing in the above provides, however, that submission of new claims by amendment is in any way an improper practice. Further, nothing in the above provides that submission of new claims to a *separate and distinct invention* is even an improper practice. Accordingly, the Examiner's position completely unsupportable.

**Claims 1-66 Recited a Single Invention**

The above provisions relate generally to the situation in which an Applicant has been faced with a proper restriction requirement, makes an election of species, and later attempts to reintroduce the restricted claims by amendment. None of this applies here. Claims 1-66 recited a *single invention*. The Examiner has never presented a proper restriction requirement forcing Applicant to make an election of species. Although the Examiner attempted to impose a restriction requirement to claims 1-46 in the Office Action dated March 23, 2004, the Examiner himself has conceded that claims 1-66 presented in the Response dated April 23, 2004 constituted a single invention under USPTO practice. (See Office Action dated May 25, 2004, page 2).

**Claims 67-114 Recite the Same Invention as Claims 1-66**

The Examiner asserts that claims 1-66 and the presently-pending claims recite "distinct and independent" inventions. A comparison of the claims makes clear how preposterous this

assertion is. Claims 1-66, which recited a single invention, and claims 67-114 recite the same invention. In fact, other than very minor changes in the terminology employed, and the addition of certain narrowing amendments in the interest of expediting prosecution, new claims 67-114 recite the same subject matter as canceled claims 1-66. By way of example, the limitations of claim 114 and claim 1 are set forth side-by-side below:

114. A method for enabling a trade in a user selected user preferred security, the method comprising:	1. A method for executing a trade in a user preferred security comprising the steps of:
receiving security data for a plurality of securities from a security data source;	providing security data for a plurality of securities to a server system from a security data source;
receiving from a user at least two user specific criteria including at least one criterion related to pricing;	transmitting, from a client system to the server system, at least two user specific criteria, at least one of which is a criterion related to pricing;
automatically identifying within the plurality of securities at least two user preferred securities conforming to the user specific criteria received from the user;	analyzing the security data for the plurality of securities based upon the user specific criteria to identify the user preferred securities in the server system;
receiving at least first, second and third user specific parameters from the user;	designating a plurality of user specific parameters;
generating a graph having first, second and third mutually-orthogonal axes intersecting at a common origin;	representing the user preferred securities in a multi dimensional graph on the client system,

plotting each of the user preferred securities as an icon on the graph at a coordinate corresponding to the value of the first parameter of that user preferred security along the first axis, corresponding to the value of the second parameter of that user preferred security along the second axis and corresponding to the value of the third parameter of that user preferred security along the third axis, thereby representing and graphically differentiating the user preferred securities from one another;	the multi dimensional graph having at least three dimensions, each of the dimensions on the graph corresponding to one of a plurality of user specific parameters;
receiving a user selection of one of the user preferred securities represented on the graph;	selecting one of the user preferred securities from the multi dimensional graph;
associating order parameters with the user selected user preferred security; and	associating order parameters with the selected user preferred security;
sending an order to execute a trade in the user selected user preferred security according to the order parameters.	sending an order to trade the selected user preferred security from the client system to a server system; and routing the order from the server system to a trade execution location.

It can be seen that these two claims recite the same invention. A review of many other pairs of claims will reveal that claims 67-114 recite the same single invention recited in claims 1-66. Claim 57 and claim 67, for example, are essentially identical in scope and clearly do not recite "distinct and independent" inventions.

The Examiner does not appear to have followed any of the normal USPTO procedures or guidelines relating to the propriety of a restriction requirement. The basic guidelines for determining distinctness or independence are set forth in MPEP 806:



806 Determination of Distinctness or Independence of Claimed Inventions

The general principles relating to distinctness or independence may be summarized as follows:

(A) Where inventions are independent (i.e., no disclosed relation therebetween), restriction to one thereof is ordinarily proper, MPEP § 806.06.

(B) Where inventions are related as disclosed but are distinct as claimed, restriction may be proper.

(C) Where inventions are related as disclosed but are not distinct as claimed, restriction is never proper.

(D) A reasonable number of species may be claimed when there is an allowable claim generic thereto. 37 CFR 1.141, MPEP § 806.04.

The MPEP provides additional guidance at section 806.03:

806.03 Single Embodiment, Claims Defining Same Essential Features

Where the claims of an application define the same essential characteristics of a single disclosed embodiment of an invention, restriction therebetween should never be required. This is because the claims are not directed to distinct inventions; rather they are different definitions of the same disclosed subject matter, varying in breadth or scope of definition.

In the present case, the pending claims recite different definitions of the same subject matter, varying merely in breadth and scope of definition. It is difficult, frankly, to determine how the Examiner arrived at his conclusions as to distinctness and independence, given that the Examiner's explanation was so sparse and cursory. As the Examiner may be aware, a cursory assertion of independence or distinctness by an Examiner is uniformly improper. To the contrary, the Examiner has a burden to elaborate in detail the reasons underlying the Examiner's position that two or more

claims recite distinct or independent inventions, as set forth in MPEP 808.01:

808.01 Reasons for Holding of Independence or Distinctness

The particular reasons relied on by the examiner for holding that the inventions as claimed are either independent or distinct should be concisely stated. A mere statement of conclusion is inadequate. The reasons upon which the conclusion is based should be given.

For example, relative to a combination and a subcombination thereof, the examiner should point out the reasons why he or she considers the subcombination to have utility by itself or in other combinations, and why he or she considers that the combination as claimed does not require the particulars of the subcombination as claimed.

Each relationship of claimed inventions should be similarly treated and the reasons for the conclusions of distinctness or independence set forth. Form paragraphs 8.01, 8.02, and 8.14 - 8.20.02 may be used as appropriate to explain why the inventions as claimed are independent or distinct. See MPEP § 806.05 - § 806.06.

Upon review of the above USPTO procedures as well as the remarks presented above, it should be recognized by the Examiner that (1) claims 67-114 are directed to a single invention; (2) claims 1-66 were directed to a single invention; (3) claims 1-66 and claims 67-114 were directed to the same invention; (4) even if claims 1-66 and claims 67-114 were directed to different inventions, which they are not, the Applicant has elected claims 67-114; (5) the Applicant made amendments to claims 1-66 in accordance with the rules and procedure of the USPTO; (6) the Applicant cancelled claims 1-66 in accordance with the rules and procedure of the USPTO; (7) the Applicant added new claims 67-114 in accordance with the rules and procedure of the USPTO; and (8)

AUG 18 2006

the Applicant has the right to have claims 67-114 examined on the merits in accordance with the rules and procedure of the USPTO.

#### Fee Statement

The number of independent claims and the total number of claims has remained the same. This response is being filed within the normal three month shorted statutory period, however, Applicant has included a Petition for a two-month extension of time including payment of an extension fee in the amount of \$450.00. If additional fees are due **or overpayment has been made**, please debit or credit our deposit account, Account No. 03-1130.

#### Conclusion

Applicant has made a diligent effort to advance the prosecution of this application. According, Applicant requests and examination on the merits of the pending claims and an early Notice of Allowance of claims 67-114.

Dated this 18th day of August, 2006.

Respectfully submitted:



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